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India's Economic Relations with Myanmar: A Study of Border Trade

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ABSTRACT

The purpose of this paper is to analyze the nature of border trade between India and Myanmar. India is an emerging power with fast economic growth, geographic size, natural resources, and dynamic population. It has adopted a new foreign policy and economic orientation towards its South East Asian bordering neighbors including Myanmar. China, however, initiated a global strategy-the Belt and Road Initiative in 2013. This study looks into the geopolitics of the Sino-Indian rivalry in the context of the global power configurations and inter-state economic relations. To this end, the methodology of a case study for Moreh-Tamu border trade along the Indo-Myanmar cross-border region has been applied in this paper. The findings reveal growing trade relations and bilateral economic engagements of both India and Myanmar. India's Northeastern border issues, ASEAN connectivity, the BCIM economic corridor of the BRI, India's neighborhood policy, as well as the geo-political dynamics, among other factors, are the principal factors affecting India-Myanmar border trade. The problems of the Sino-Indian rivalry, weak borderlands infrastructures and ethnic insurgencies have emerged as the major obstacles to border trade along the Moreh-Tamu border region. This study concludes that India and Myanmar are increasingly engaged in cross-border trade and economic cooperation.

KEYWORDS

Moreh-Tamu border trade; Northeastern Border States; India; Myanmar; connectivity; Commodities; Bangladesh–China-India-Myanmar (BCIM) economic corridor; Belt and road Initiative (BRI); "Act East" policy; Geopolitics

1. Introduction

International borders are ubiquitous. Border studies is a relatively young field that has traditionally focused on the US-Mexico borderlands. In recent years, some scholars are making efforts to study the problems of the borderlands that include a comprehensive range of the cross-border issues and the various regions of the world (Sadowski-Smith 2013; Tripathi and Chaturvedi 2019). A border between nation-states provides both opportunities and threats. Borders are diversified in terms of the components that form the boundaries themselves (Guo 2015). The legal, economic, cultural and social issues between both sides of the border could be used to generate numerous profitable and innovative businesses. Borders determine the relationships between neighboring countries and security outcomes as well as trade and population mobility (Ullah and Kumpoh 2018). Opening up borders offers new opportunities for border cities and urban border

regions to reinforce their positions at the heart of global economic networks, and to affirm their autonomy as cross-border regional entities. Border trade has substantial positive impact on the relationships with its neighbors as well as on the people living on the both sides of the borderlands (Das 2014). It also has beneficial effects on the well-being of the border dwellers. Therefore, a border is regarded as a resource (Sohn 2014).

India is a South Asian country sharing a common land border with several countries including Bangladesh, Bhutan, Myanmar, Nepal and Pakistan and maritime borders with Sri Lanka, Indonesia and Maldives. India shares a 1,643 km long international border with Myanmar through India's North Eastern states of Arunachal Pradesh (520 kms), Manipur (398 kms), Mizoram (510 kms), and Nagaland (215 kms). The Indian foreign policies have different turns and twists. India's primary foreign policy goal is to bolster its status as a great power (Tandon 2016). For India, Myanmar is a gateway to the ASEAN states. In recent times, India has shifted from its "Look East" to "Act East" policy. The "Look East" Policy (LEP), which was launched in 1992 by the Narasimha Rao Government, was part of the development paradigm of the new economic reforms in India. The essence of India's LEP was to build on the stagnant diplomatic and trade relations with South-East Asia, wherein the northeastern region was to facilitate as the gateway to these countries. India has seven landlocked and peripheral northeastern states.

The "Seven Sisters States" is a popular term used for the contiguous states of Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura. These states are economically backward and landlocked. These seven sisters states have "not integrated fully with the Indian national economy" (Dutta 2010, 51). These peripheral states are plagued by ethno-religious tensions, insurgencies, terrorisms, and cross-border violence. LEP has caused a tectonic shift in India's foreign trade. The direction of the focus of the India's foreign trade has shifted from the West to the East, leading to a fundamental change in the nature of India's economic interdependence. Within a short span of time, Indian business backed by the economic diplomacy of the Indian government has changed the architecture of India's foreign trade (G. Das, Das, and Paul 2016). This policy shift has been related to a chain of significant events and issues including the end of the Cold War, the economic rise of China, ASEAN connectivity, and the global economic crisis. The genesis of the LEP was, thus, the outcome of the changed international system, India's political and economic crises with the severe payment mismatch, and the need for regional cooperation with ASEAN countries. The policy was a by-product of India's economic reforms in the early 1990s. The Modi government revitalized the LEP. The "Act East Policy" (AEP) was introduced in 2014 to deepen India's economic integration with the South-east Asian neighbors. The focus of the LEP was to increase economic integration with the South East Asian countries and the area was just confined to South East Asia only. On the other hand, the focus of the AEP is economic and security integration and focused area increased to South East Asia plus East Asia. India's extended neighborhood acquired special attention as the present Modi government articulated a "Neighborhood First" policy with a pledge to take a more "integrated and holistic approach" to its cross-border regional engagement (Bajpaee 2017, 358).

Our current ability to explain the patterns, dynamics and issues of border trade between India and Myanmar is severely limited. What are the main problems and issues influencing border trade between India and Myanmar? How could the issue of border trade be facilitated? Addressing these unexplored questions is important, since earlier research

works reviewed in this paper clearly indicate a knowledge deficiency on India-Myanmar border trade. Against this backdrop, we are motivated to fill the research gap. This paper aims to analyze the nature of the India-Myanmar border trade.

The remainder of this paper is structured as follows. Section 2 explains the theoretical and empirical literature on border studies with a particular reference to border trade. This section puts the analysis into its proper context and outlines a theoretical framework of the study. Section 3 describes the research methodology and data of the study. The main findings are presented in section 4. The case of Moreh-Tamu border trade is explained in the sub-sections. Finally, section 5 carries the concluding remarks alongside study implications and future research prospects.

2. The Literature on Border Studies and Border Trade

Borders are one of the central institutions defining states and organizing international politics. They are traditionally at the core of interstate relations, geopolitics and security. The study of cross-border issues has become interdisciplinary and border studies have become increasingly global over the past few decades (Newman 2006; Simmons 2019; Walther, Klatt, and Boedeltje 2019). Borders have diverse implications and consequently there is an absence of a single explanatory model or theoretical framework to study the cutting-edge issues of the borderlands. Different kinds of societies have different conceptions of their borders, some viewing it as open and expanding, and others as historically determined by geography (Delanty 2006). Collective memories, human emotions, state formation, nationalism, politics, identity, and passions are closely associated with the concept of a border. Questions of citizenship, identity and belongings are significant in postcolonial border studies (Rafiq 2020). A border is conceptualized as a set of institutions, contextual power dynamics, social discourses, everyday practices, population movements and cross-border trade flows. Borders are understood as relational and dynamic processes (Ptak et al. 2020).

Agnew (2019) has observed that there is undoubtedly a contemporary political crisis about borders worldwide from Myanmar and Bangladesh, to Turkey and Greece, to the United States and Mexico. The crisis of borders is due to the problems of current demographic changes, mass migration flows and global climate changes. In recent decades, border studies have emerged and spread as a significant and timely aspect within the study of critical geopolitics. From the early 2000s, border studies took a sharp turn toward understanding the *mobile borders* or toward *placing the border in everyday life* (Ferdoush 2020). In reality, we live in a world of borders. Therefore, Rumford (2006, 163) noted, “A globalizing world is a world of networks, flows and mobility; it is also a world of borders.” Newman (2003) uses the concept of “power” to build a theoretical framework around borders, and argues that power relations are of great importance to understand the dynamics of borders and bordering. On the other, the model of Brunet-Jailly (2005) suggests that local cross-border culture, political clout, market forces and trade flows as well as the multitude of government activities play concurrent and essential roles in the agency and structure of borders and borderlands.

Border trade has two major aspects: formal and informal. The scope of this paper would be placed on the formal border trade between India and Myanmar. This study contributes to the existent literature on border trade in, at least, two ways. Firstly, the review of the empirical studies presented in Table 1 indicates a dearth of scholarship on border trade between India

Table 1. A Summary of the Prior Empirical Studies on Border Trade.

Author(s) and year	Research topic/theme	Main findings and conclusions
Woods (2019)	Myanmar-China border agri-business	The paper shows that since 2000s mainland Chinese companies have invested in large-scale agribusiness concession in northern borderlands of Myanmar under China's liberalized opium program. Chinese investors and their finance capital became entangled in Myanmar's armed sovereignties and helped reanimate political violence associated with state-making.
Sinate, Fanai, and Bangera (2019)	India-Myanmar trade and investment	This working paper reveals that trade along the Indo-Myanmar border remains relatively low in comparison with Sino-Myanmar and Thai-Myanmar borders. It also suggests to improve major border infrastructure facilities and logistics such as roads, customs, ports, border Haats (local markets) electricity and banking.
Taneja et al. (2019)	India-Myanmar border trade	The paper reports that India-Myanmar border trade has been quite low primarily due to a restrictive border-trade policy framework wherein trade was permitted only in a limited number of locally produced items through barter.
Khondoker (2019)	India-Bangladesh border trade	This ethnographic study shows that around 1000 people were killed in the Bangladesh-India border area by the Indian border security force (BSF) in the decade between 2001 and 2011, and most of the victims were Bangladeshi cattle traders.
Rippa (2018)	Xinjiang(China)-Pakistan border trade	Based on long-term fieldwork in both Xinjiang and Pakistan, the author argues that a significant part of China-Pakistan cross-border trade falls within the category of shadow economy. There has also been a resurgence of cross-border trade and the establishment of the Special Economic Zones (EPZs), especially after the China-Pakistan economic corridor (CPEC) under the Belt and Road Initiative (BRI)
Krainara and Routray (2015)	Thailand's border trade	The paper examines the contributing factors to cross-border trade expansion between Thailand and four neighboring countries, Cambodia, Lao PDR, Malaysia and Myanmar (CLMM) by utilizing time series data from 1996–2012. This study found a rapid increase of local and regional cross-border trade, cross-border shopping and mobility of people.
Dutta (2015)	India-Bangladesh border trade	The paper explains the nature of Indian northeast border trade with Bangladesh. It indicates that commodity diversity in land-locked Assam, Tripura and Meghalaya is minimal. There is an opportunity for the development border trade between Bangladesh and India.
C.-R. Han, Nelen, and Kang (2015)	Korea-China border trade	The paper examines shuttle trade between Korea and China from the perspective of the Korea Customs Service (KCS). It is demonstrated that the shuttle trade in Korea emerged due to a combination of factors, namely trade quotas rates and the emergence of ferry lines between Korea and China, and has grown as a result of both the economic downturn and an increase in the demand for express delivery service between Korea and China
Ge et al. (2014)	China's border trade	Employing the trade gravity model, the paper investigates the patterns and determinants of China's border trade with its 14 neighboring countries. The results suggest that multilateral and regional integration, market size and institutional quality play important roles in promoting border trade.
Kudo (2013)	Myanmar-China border trade	This chapter argues that border trade has made a considerable contribution to increased trade between China and Myanmar. The development of roads and gates along the border has been found to be a great driver in the promotion of border trade. The issue of ethnic insurgency would impede the development of bilateral border trade.
Karackattu (2013)	India-China border trade	The paper reports that the flows of people and goods across Tibet, Ladakh, Lhasa, Sikkim, Kohima, Itanagar, Xigaze, Nathu La and Qinghai are expanding due to rails, roads and air connectivity between China and India. It also shows that illegal trade happens with the connivance of officials, and traders from Kolkata and Bihar who buy large consignments of Chinese cigarettes via the Nathu La route with the help of middlemen.
Singh (2007)	India-China border trade	The paper indicates that the adoption of the barter trade system is a key distinguishing feature of India's border trade with Myanmar. The proximity of the Moreh–Tamu border to the Golden Triangle (Myanmar–Laos–Thailand) means that illegal imports from Myanmar into India through Moreh consists of harmful products such as narcotics. Informal economy flourishes along the India-Myanmar borderlands
Williams (2003)	Russo–Japanese border trade	The paper reports that the collapse of the Soviet Union, a significant relaxation of military tension in the northern Pacific and the deregulation of the Russian fishing industry and foreign trade have led to the rapid growth of border trade between Hokkaido and other Japanese prefectures along Japan's west coast and Pacific Russian sub-regions. The criminal nature of border trade is a factor threatening the very health of Russo–Japanese relations.
Xiaosong and Womack (2000)	Sino-Vietnamese border trade	The paper provides an account of the history of the cross-border economic relations between China and Vietnam in the 1990s. Border trade is normalized due to the Chinese economic liberalization, trade integration, policy reforms, and transformation of the border. The development of border area infrastructure and local municipal administrations led to large scale cooperation in tourism, investment and trade.

Source: Author's own work

and Myanmar; and accordingly, this paper fills the research gap. Secondly, with the process of globalization many researchers and research institutions have begun to focus on borders and border regions. The study of border policies and issues has become more complex, dynamic and multifaceted. Since the end of the Cold War, the number of borderlands have increased and, therefore, there is a new need of border studies (Paasi 2012). So, this work adds a new empirical case, and thereby expands the literature on border trade.

3. Methodology and Data

The current study is mainly based on the secondary materials including books, articles, working papers, and census and media reports. Data were collected from the following two important sources: United Nations Comtrade database (UNcomtrade 2020), and the Export- Import Data Bank from the Department of Commerce of the Government of India (T. G. o. India 2020). This work is based on a pragmatic research approach that seeks to combine the elements of both quantitative and qualitative methodologies (Onwuegbuzie and Leech 2005). The interpretations and explanations are offered on the basis of the present materials as well as the past relevant studies. India and Myanmar are large countries in terms of territory and populations. As the issue of border trade is a vast topic, we will narrow our focus down to a particular cross-border region-Moreh and Tamu – of India and Myanmar. The selection of the Moreh-Tamu border region is made on the basis of the data availability. The analysis will proceed on following the basic principles of the case study approach.

A case study investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident. The method is especially preferred in examining contemporary events (Yin 2014). The method has some research strengths. It provides an in-depth analysis of a single unit (Gerring 2004). The method also contributes to theorization. Blatter and Haverland (2012, 2) have, therefore, argued that case studies are the “cornerstones for theories and research programs.” Case study research is defined as a non-experimental research approach that differs from large-N studies in the sense that a small number of cases makes it easier for researchers to select cases that have no clear-cut boundaries, but have to be delineated and specified on the basis of abstract theoretical concepts (Blatter and Haverland 2012).

4. Findings and Discussion

This section analyses the general trade relations between India and Myanmar, and then introduces the Moreh-Tamu border regions across India and Myanmar. In the following sub-sections, we explore and explain the nature of economic cooperation by means of a case study of Moreh-Tamu border trade.

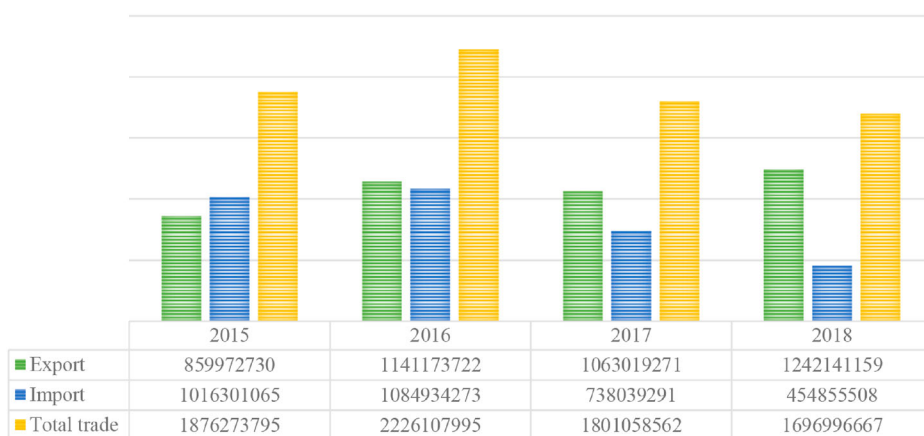
4.1. India-Myanmar Foreign Trade

Table 2 shows a fluctuation in bilateral trade between Indian and Myanmar. India’s total trade has increased over the years. In 2014–15, the volume of total trade was 2,004.78 million USD. This volume has gone up in 2018–19 accounted for a total of 844,156.51 million USD. Figure 1 presents the volume of exports, imports and trade between India

Table 2: India's Bilateral Trade with Myanmar, 2014–2019, in US \$ Million Dollar.

Sl. No.	Year	2014–2015	2015–2016	2016–2017	2017–2018	2018–2019
1.	EXPORT	773.24	1,070.65	1,107.89	966.19	1,205.60
2.	%Growth		38.46	3.48	–12.79	24.78
3.	India's Total Export	310,338.48	262,291.09	275,852.43	303,526.16	330,078.09
4.	%Growth		–15.48	5.17	10.03	8.75
5.	%Share	0.25	0.41	0.40	0.32	0.37
6.	IMPORT	1,231.54	984.27	1,067.25	639.64	521.49
7.	%Growth		–20.08	8.43	–40.07	–18.47
8.	India's Total Import	448,033.41	381,007.76	384,357.03	465,580.99	514,078.42
9.	%Growth		–14.96	0.88	21.13	10.42
10.	%Share	0.27	0.26	0.28	0.14	0.10
11.	TOTAL TRADE	2,004.78	2,054.92	2,175.14	1,605.84	1,727.10
12.	%Growth		2.50	5.85	–26.17	7.55
13.	India's Total Trade	758,371.89	643,298.84	660,209.46	769,107.15	844,156.51
14.	%Growth		–15.17	2.63	16.49	9.76
15.	%Share	0.26	0.32	0.33	0.21	0.20
16.	TRADE BALANCE		86.38	40.64	326.55	684.11
17.	India's Trade Balance	–137,694.93	–118,716.67	–108,504.60	–162,054.83	–184,000.33

Source: Author's compilation from the T. G. o. India (2020)

**Figure 1.** India's Total Trade with Myanmar, in USD, Source: Author's compilation from the UNcomtrade (2020).

and Myanmar during the period, 2015–2018. It also shows a fluctuating tendency of India's trade with Myanmar. Overall, India has a reasonable amounts of trade with its south-eastern neighbor: Myanmar. Bilateral trade between India and Myanmar accounted for well over 2 billion USD in the fiscal year 2016–2017, a noteworthy increase compared to former years. In 2001–2002, the trade volume was just a little over 300 million USD, and in 2007–2008 the number was still below 1 billion USD (Gottschlich 2017). A closer look at the data demonstrates that there is much room for a further increase in bilateral trade between India and Myanmar.

Figure 2 presents a comparative picture of India's trade relations with the South Asian, East Asian and the Pacific regions. The data shows an upward trend of the Indian trade volumes to the East Asia. Figure 3 illustrates the patterns of the Indian exports and imports with Myanmar. The trendline depicts an increasing pattern of the Indian exports to Myanmar. This finding is consistent with the prior analysis of Guha and

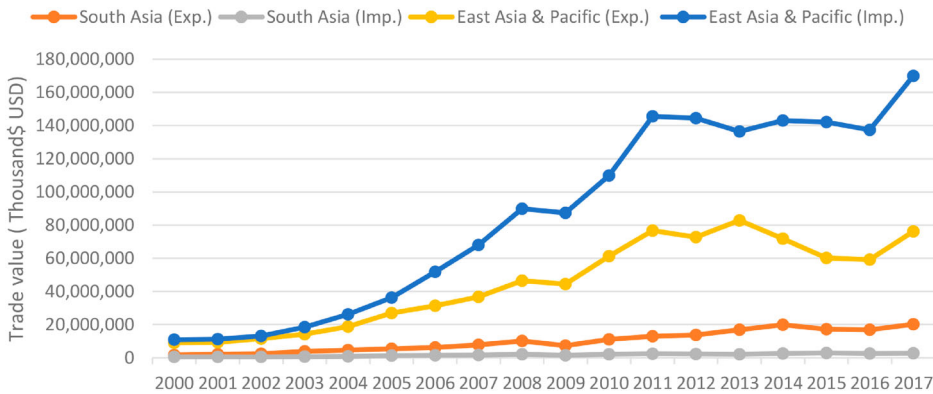


Figure 2. A Comparison of India's Trade with the South Asia, East Asia & Pacific region, in US dollar, Source: Author's compilation from the UNcomtrade (2020).

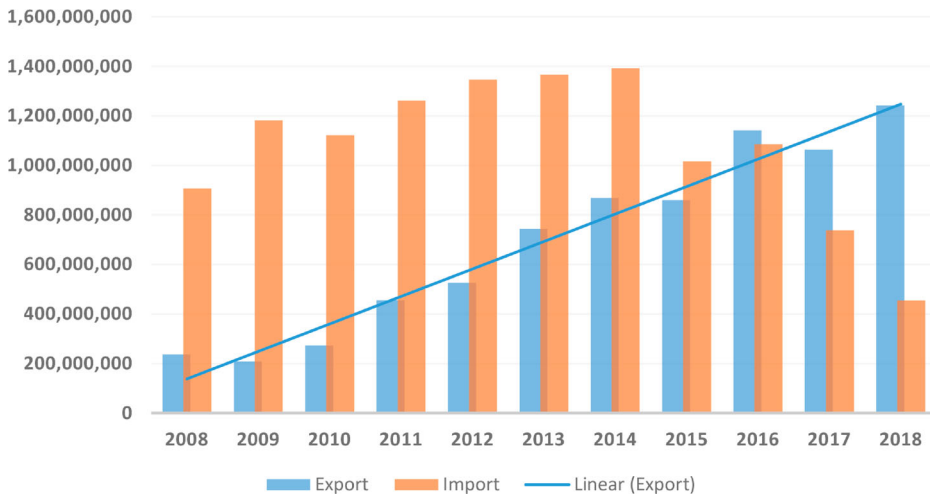


Figure 3. India's Trade with Myanmar, 2008–2018, in US dollar. Source: Author's compilation from the UNcomtrade (2020).

Mohapatra (2016) who found that India's trade share with ASEAN registered a positive growth while export share has remained larger than import share.

4.2. The Case of Moreh-Tamu Border Trade

Border region is an area that closely reflects continuity and change in the physical, political and social nature of state borders. Scott (2019) argues that border regions represent space of transition between states and national societies. They are also spaces where intercultural and mental borders can have profound impacts on everyday life.

Manipur, one of the states situated in the North Eastern Region of India, is an isolated hill girt state. The state has 352 kilometers long international border with Myanmar (former Burma) to the south-east and 502 kilometers long border with the adjacent states of Nagaland on the north, Cachar District of Assam on the west and Chin Hills

(Myanmar) and Mizoram on the south and the south-west and Surma Tract and upper Chindwin of Myanmar on the East. The Indo-Myanmar Border Trade was operationalized from April 12, 1995. The Indian Government is making an effort to frame a policy for development of trade with South East Asia under India's "Look East" Policy. In connection with the border trade, the then Union Minister of State visited Imphal and Moreh on 29th September, 2006 and announced for development of Moreh Town by creating an Integrated Check Post (ICP) adjacent to international boundary within Land Customs Station, Moreh. At present there are four Land Customs Stations (LCS) in India dealing with border trade with Myanmar of which Moreh (in Manipur state of India) is the most active one handling most of India's border trade with Myanmar. Moreh is located on the India-Myanmar border in the Tengnoupal district at about 110 kilometers from Imphal, the State capital of Manipur. Tamu is the corresponding town in Myanmar opposite to Moreh. India and Myanmar signed a Border Trade Agreement in 1994, which was operationalized on April 12, 1995. The agreement allowed for trade in locally produced products.

On the other side, Tamu is situated in Sagaing division in northwest Myanmar near the Moreh town in the border of Manipur. It is an important commercial town for cross border business benefiting the Moreh town till mid-1990s. The Land Custom Station (LCS) in Tamu is functional. After signing the Moreh-Tamu border trade agreement between India and Myanmar in 1994, the GoI set up LCS adjacent to Gate Number 1. All formal trade, except informal headload transportation of goods, is supposed to take place through Gate Number 1. This gate is not a very popular transit point because infrequently a truck carrying betel nuts enters through it from Myanmar. Tamu, the counterpart market of Moreh, was a major trade point until 1995. In 1996 the market was shifted to Namphalong which is about five kilometers from Tamu. Namphalong market, started functioning in April 1997, is located at the proximity of about 300 meters from the Moreh market. Moreh's main market, commonly known as the Morning Bazaar, is located near the border Gate Number 2. Commodities are traded across the India-Myanmar border at Moreh and Tamu. Figure 4 illustrates the location of Moreh-Tamu border.



Figure 4. The Geographical Location of the Moreh-Tamu border (Source: Google).

An Integrated Checkpost (ICP) is active at Moreh from January 2019. Infrastructure bottlenecks and constraints at the ICP and the LCS have to be addressed, and trade facilitation needs to be promoted, to increase flow of goods across border between India and its neighbors. The trade at Moreh is now governed by MFN principle which was not there earlier. RBI has withdrawn its earlier notification on trade based on head load. The Duty Free Tariff Preference (DFTP) has issued notification on trade procedures in 2015. The DFTP of India and the ASEAN-India Trade in Goods Agreement became relevant in case of Myanmar and the earlier limit no longer applies (Sinat, Fanai, and Bangera 2019). As a result, trade through Moreh has increased heavily in recent years.¹

4.3. The Dynamics and Patterns of Moreh-Tamu Border Trade

Border trade is one of the many instrumentalities through which the flow of persons, goods and services is sought to be contained in order to help making the nation in the border (Das 2014). Table 3 shows the patterns of border trade during April 1995–March 1996, about US\$ 15.8 million value worth goods were traded at the Moreh LCS. In the following period of 1996/97, the value of trade increases considerably, with the rise in popularity of the Moreh border trade, to a volume of US\$ 31.7 million as export and to a level of US\$ 15.2 million as import value which resulted to a trade balance of close to US\$ 16.5 million. In 2015–16, the trade at the Moreh border was US\$ 45.6 million; whereas it rose to US\$ 48 million. During the 1988–1989 fiscal year, the volume of the Indo–Myanmar border trade was US\$ 62.15 million (Egreteau 2010). Remarkably, the border trade increased from an insignificant US\$ 61.15 million during 1988–1989 to US\$ 1820.8 million in 2016–2017. In a nutshell, trade at Moreh-Tamu border is on the increase.

A number of vehicles are traded along the borderland of Moreh. Figure 5 reveals that in 2018–19, a total of 238 vehicles were traded whereas the value was 197 in the previous years, 2017–18. Thus, the increasing volume of trade is palpable at the Moreh-Tamu borders. In 2015, the barter system of trading through Moreh was abandoned as banks were established on both sides of the border. Our analysis shows a growing trend of border trade between India and Myanmar. This finding is similar to the analysis of Das (2019) who noted a “substantial growth” in border trade. She observed,

Border trade has registered substantial growth in the last three years from US\$14.41 million in 2011–2012 and US\$ 38.63 million in 2012–2013 to US\$ 48.63 million in 2013–2014. (Das 2019, 587)

Initially, only 22 items were allowed to be traded along the border but in subsequent years more items were added in the trade list. The list was expanded to include 18 more items in 2008 and an additional 22 items were added in 2012 (Das 2019). A list of 22 commodities traded at the Moreh-Tamu border is shown in Table 4. It depicts that items in this category are locally produced commodities consisting of agricultural and minor forest products.

In December 2015, two important policy changes were introduced by India – shift from “Barter Trade to Normal Trade” and shift from “Border Trade to Normal Trade.” A wide variety of commodities are, as a result, traded between India and Myanmar. Table 5 presents an account of 42 principal Indian commodities exported to Myanmar during 2017–2019.

Table 3. Border Trade at Moreh Land Custom Station.

Year	Border trade: Moreh LCS (US\$ million)				Normal trade: Export-Import (US\$million)				Border trade % total trade		
	India's export to Myanmar	India's import from Myanmar	Trade volume	Trade balance	India's export to Myanmar	India's import from Myanmar	Trade volume	Trade balance	Export	Import	Total
1995-96	10.5	5.4	15.8	5.1	—	—	—	—	—	—	—
1996-97	31.7	15.2	46.9	16.5	45.2	177.2	222.4	-132.0	70.2	8.6	21.1
1997-98	—	35.1	57.5	-12.6	49.3	224.0	273.3	-174.7	45.5	15.7	21.0
1998-99	5.1	3.7	8.8	1.3	30.1	173.8	203.9	-143.6	16.8	2.2	4.3
1999-00	3.3	3.7	6.9	-0.4	34.1	171.6	205.7	-137.5	9.6	2.1	3.4
2000-01	5.3	0.2	5.5	5.1	52.7	181.7	234.4	-129.0	10.0	0.1	2.3
2001-02	1.3	8.3	9.6	-7.1	60.9	374.4	435.3	-313.5	2.1	2.2	2.2
2002-03	3.7	12.2	15.8	-8.5	75.1	336.0	411.1	-261.0	4.9	3.6	3.8
2003-04	8.7	8.3	17.0	0.4	89.6	409.0	498.7	-319.4	9.8	2.0	3.4
2004-05	5.6	5.0	10.7	0.6	113.2	405.9	519.1	-292.7	5.0	1.2	2.1
2005-06	4.1	3.3	7.4	0.8	110.7	526.0	636.7	-415.3	3.7	0.6	1.2
2006-07	62.1	1.8	63.9	60.4	140.4	782.7	923.1	-642.2	44.2	0.2	6.9
2007-08	6.0	16.3	22.3	-10.3	185.8	808.6	994.5	-622.8	3.2	2.0	2.2
2008-09	1.6	0.8	2.4	0.8	221.6	929.0	1150.6	-707.3	0.7	0.1	0.2
2009-10	21.5	8.3	29.8	13.2	208.0	1289.8	1497.8	-1081.8	10.3	0.6	2.0
2010-11	0.3	3.8	4.1	-3.5	320.6	1017.7	1338.3	-697.1	0.1	0.4	0.3
2011-12	1.5	1.4	2.9	0.1	545.4	1381.2	1926.5	-835.8	0.3	0.1	0.1
2012-13	27.2	20.6	47.8	6.7	544.7	1412.7	1957.4	-868.0	5.0	1.5	2.4
2013-14	14.5	48.5	63.0	-34.0	787.0	1395.7	2182.7	-608.7	1.8	3.5	2.9
2014-15	—	—	—	—	773.2	1231.5	2004.8	-458.3	0.0	0.0	0.0
2015-16	12.8	32.8	45.6	-20.0	1070.7	984.3	2054.9	86.4	1.2	3.3	2.2
2016-17	9.8	38.2	48.0	-28.4	866.5	954.3	1820.8	-87.8	1.1	4.0	2.6
Average	12.3	13.0	25.3	-0.7	301.2	722.2	1023.4	-421.1	11.7	2.6	4.1

Source: Adapted from Marchang (2018), p. 132.

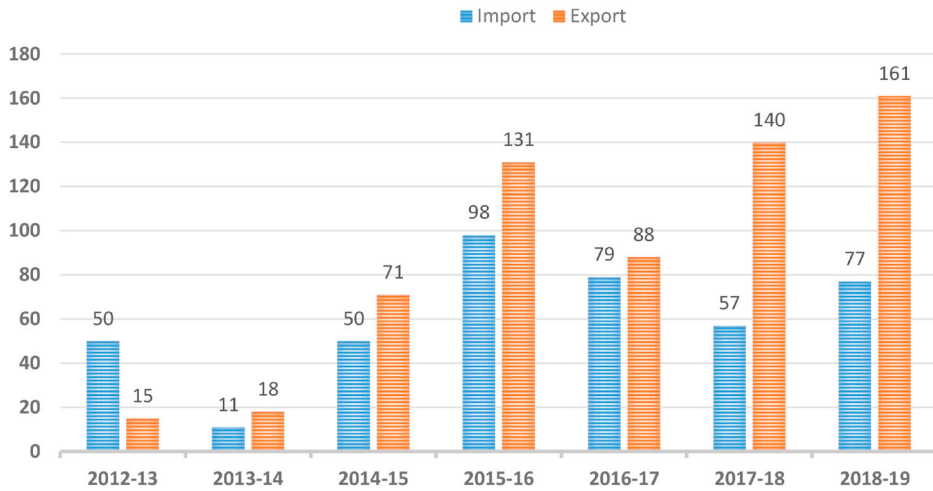


Figure 5. Vehicle Trade at the Check Post of Moreh border, 2012–19, in Numbers. Source: Author's compilation using data from the Land Ports Authority of India (L. P. A. o. India 2019).

Table 4. List of the commodities traded at the Moreh-Tamu border.

Serial No.	Product/commodity
1	Mustard, rapeseed
2	Pulses and beans
3	Fresh vegetables
4	Fruits
5	Garlic
6	Onion
7	Chillies
8	Spices
9	Bamboo
10	Minor forest products excluding teak
11	Betel nuts and leaves
12	Tobacco
13	Tomatoes
14	Reed brooms
15	Sesame
16	Resin
17	Coriander seeds
18	Soyabean
19	Roasted sunflower seeds
20	Food items for local cloves, cassia and cinnamon consumption
21	Katha
22	Ginger

Source: Author's compilation based on the literature.

It reveals India's export of mineral fuels, oils and its products and sugar and sugar confectionery to Myanmar have registered a significant rise in recent years. There are some export potential commodities including iron and steel (HS 72), coffee, tea and spices (HS 09), electrical machinery (HS 85), iron and steel (HS 72), sugar (HS 17), mineral fuel (HS 27) and cotton (HS 52). Myanmar is India's second largest destination for sugar exports in 2018. The pharmaceutical products produced in India have a large market and consumer demands in Myanmar.

Table 5. Commodity-Wise India's Exports to Myanmar, 2017–2019, Value in US\$ Million.

Serial No.	HS Code	Commodity	2017–2018	2018–2019	% Growth
1.	05	Products of animal origin, not elsewhere specified or included.	29.15	26.94	–7.57
2.	09	Coffee, tea, mate and spices.	5.59	7.63	36.55
3.	10	Cereals.	7.96	11.60	45.64
4.	12	Oil seeds and olea. fruits; misc. grains, seeds and fruit; industrial or medicinal plants; straw and fodder.	1.85	2.79	50.92
5.	17	Sugars and sugar confectionery.	67.34	126.12	87.28
6.	21	Miscellaneous edible preparations.	1.86	2.60	39.97
7.	23	Residues and waste from the food industries; prepared animal fodder.	42.80	46.66	9.01
8.	24	Tobacco and manufactured tobacco substitutes.	8.21	13.00	58.36
9.	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.	66.96	198.29	196.13
10.	28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, or radi. elem. or of isotopes.	5.54	6.40	15.52
11.	29	Organic chemicals	3.48	5.39	54.74
12.	30	Pharmaceutical products	178.95	199.67	11.58
13.	32	Tanning or dyeing extracts; tannins and their deri. dyes, pigments and other coloring matter; paints and var; putty and other mastics; inks.	5.07	5.44	7.20
14.	33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations.	10.76	9.62	–10.57
15.	38	Miscellaneous chemical products.	12.08	11.43	–5.38
16.	39	Plastic and articles thereof.	15.99	16.00	0.05
17.	40	Rubber and articles thereof.	6.96	7.93	14.00
18.	41	Raw hides and skins (other than furskins) and leather	3.11	3.45	10.82
19.	48	Paper and paperboard; articles of paper pulp, of paper or of paperboard.	4.07	3.73	–8.48
20.	52	Cotton.	48.01	46.49	–3.17
21.	55	Man-made staple fibers.	6.91	8.26	19.48
22.	61	Articles of apparel and clothing accessories, knitted or crocheted.	10.71	21.03	96.25
23.	62	Articles of apparel and clothing accessories, not knitted or crocheted.	0.23	1.03	354.39
24.	63	Leathers made up textile articles; sets; worn clothing and worn textile articles; rags	6.56	1.71	–73.91
25.	64	Footwear, gaiters and the like; parts of such articles.	3.90	7.36	88.89
26.	67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair.	1.70	4.14	144.09
27.	69	Ceramic products.	1.30	1.34	2.56
28.	70	Glass and glassware.	2.64	1.60	–39.32
29.	72	Iron and steel	108.65	23.95	–77.96
30.	73	Articles of iron or steel	14.88	15.62	4.96
31.	74	Copper and articles thereof.	1.24	1.36	9.84
32.	82	Tools implements, cutlery, spoons and forks, of base metal; parts thereof of base metal.	4.15	4.82	16.23
33.	83	Miscellaneous articles of base metal.	3.90	5.63	44.61
34.	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	45.21	55.91	23.67
35.	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts.	68.20	61.86	–9.30
36.	86	Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical	33.02	1.09	–96.70
37.	87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.	67.44	71.67	6.27
38.	89	Ships, boats and floating structures.	21.28		
39.	90		9.34	7.16	–23.37

(Continued)

Table 5. Continued.

Serial No.	HS Code	Commodity	2017–2018	2018–2019	% Growth
40.	93	Optical, photographic cinematographic measuring, checking precision, medical or surgical inst. and apparatus parts and accessories thereof;			
41.	94	Arms and ammunition; parts and accessories thereof.	3.33	1.89	–43.24
		Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishing; lamps and lighting fittings not elsewhere specified or inc	3.14	2.11	–32.92
42.	96	Miscellaneous manufactured articles.	6.63	6.42	–3.22
		Total	950.1	1,057.14	
India's Total			303,526.16	330,078.09	8.75

Source: Author's own compilation from the Department of Commerce, T. G. o. India (2020).

Table 6. Commodity-Wise India's Imports from Myanmar, 2017–2019, Value in US\$ Million.

Serial No.	HS Code	Commodity	2017–2018	2018–2019	% Growth
1.	03	Fish and crustaceans, mollusks and other aquatic invertebrates.	6.20	4.08	–34.28
2.	07	Edible vegetables and certain roots and tubers.	432.27	370.43	–14.31
3.	09	Coffee, tea, mate and spices.	6.94	5.23	–24.68
4.	12	Oil seeds and olea. fruits; misc. grains, seeds and fruit; industrial or medicinal plants; straw and fodder.	4.03	5.76	42.79
5.	26	Ores, slag and ash.	0.92	0.91	–2.07
6.	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.	0.00	0.00	100.00
7.	40	Rubber and articles thereof.	2.60	6.07	132.99
8.	41	Raw hides and skins (other than furskins) and leather	2.58	2.16	–16.38
9.	42	Articles of leather, saddler and harness; travel goods, handbags and similar cont. Articles of animal gut (other thn silk-wrm) gut.	0.43	0.28	–33.86
10.	44	Wood and articles of wood; wood charcoal.	142.64	92.25	–35.33
11.	61	Articles of apparel and clothing accessories, knitted or crocheted.	0.99	1.40	41.22
12.	62	Articles of apparel and clothing accessories, not knitted or crocheted.	0.81	1.45	80.19
13.	64	Footwear, gaiters and the like; parts of such articles.	0.55	1.25	129.29
14.	71	Natural or cultured pearls, precious or semiprecious stones, premetals, clad with pre-metal and articles thereof; imit. Jewelry;coin.	0.04	0.13	229.07
15.	72	Iron and steel	13.81	8.86	–35.81
16.	73	Articles of iron or steel	0.08	0.07	–11.65
17.	76	Aluminum and articles thereof.	3.17	3.94	24.12
18.	78	Lead and articles thereof.	12.24		
19.	79	Zinc and articles thereof.	6.16	12.05	95.40
20.	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts.	0.32	0.42	32.51
21.	90	Optical, photographic cinematographic measuring, checking precision, medical or surgical inst. and apparatus parts and accessories thereof;	0.16	0.20	23.95
		Total	636.94	516.94	
India's Total			465,580.98	514,078.41	10.42

Source: Author's own compilation from the Department of Commerce, T. G. o. India (2020).

Table 6 depicts India's 21 imported commodities, which is marginal and therefore, highlighting the potential to enhance these exports from Myanmar, in light of the demand in India, and also Myanmar's export capability. Some of these potential items

of Myanmar's exports to India would include: edible vegetables and tubers (HS 07), wood and articles of wood (HS 44). India's *Ministry of Development of Northeastern Region* estimates that border trade with Myanmar is quite limited and is generally averaging less than US\$ 1 million per year. Prior research indicates that informal trade along the Indo-Myanmar border is a huge business (Gorky 2018). The government of Manipur (2018) has specified the following measures to facilitate border trade:

- Setting up of an Integrated Check Post (ICP)
- Establishment of a Multi-Storied Shopping Complex at Moreh to facilitate marketing of various products
- Regular participation in India International Trade Fair

Thus, the state government of Manipur has undertaken some measures and initiatives to boost up its border trade. The state government acquired land to build an ICP adjacent to the international border within LCS of Moreh border. Prior research confirms that different LCS have been set up across the states of the northeast (Roluahpuia 2020).

4.4. The Geopolitics of India's Borderlands, ASEAN Connectivity, and the BRI

The rise of China has significantly changed the global political economic landscape. China is keen to advance the agenda of its Belt and Road Initiative (BRI) both at home and abroad. Some scholars have viewed the BRI as a means to build a new Chinese world order that will replace the current United States-led global system (Maçães 2018; Xing 2019). In essence, the BRI is a Chinese global and grand strategy that seeks to promote connectivity in five key areas: policy coordination, infrastructure connectivity, trade facilitation, financial cooperation and people-to-people contacts (Yiwei 2016). In this regard, the states of the ASEAN² region are significant to China from the perspective of the BRI, because the Chinese Initiative aims to connect the country with Southeast Asia, South Asia, Central Asia, Russia and Europe by land networks and Southeast Asia, South Asia, Oceania and East African coastal regions via maritime trade routes (Chakma 2019). As a consequence, the bilateral trade between China and ASEAN members had expanded from US\$41 billion in 2000 to US\$ 410 billion in 2016. ASEAN countries have undertaken a Master Plan for regional economic connectivity, trade integration and strategic cooperation. A strong infrastructure pipeline in ASEAN Member States is likely to promote cross-border trade and people movements (ASEAN 2016). Myanmar has large crude oil and natural gas as its main energy asset. China intends to secure access to Myanmar's gas and oil resources and to diversify its energy supply routes to reduce its dependence on the Malacca Strait (See, Figure 6).

The borderlands of Myanmar have become a hotbed for global and regional influences. China and India have critical national interests and long-terms ambitions in Myanmar. Egreteau (2008, 38) observed,

As Burma strategically lies at the crossroads of the Indian subcontinent, southwestern China, the Indian Ocean and the rest of continental Southeast Asia, both an emerging India and a rising China have found increasing interests in this regional node since the end of the 1980s.



Figure 6. Myanmar's Pipelines to China. Source: Weifeng (2016, 97).

The current transition of power in Asia has intensified the protracted rivalry between New Delhi and Beijing. Due to the global transition of power, New Delhi is deeply fractured on a viable strategy to manage China's rise (Pant and Joshi 2016, 60–81). Zhao (2019, 133), a professor at the Research school for Southeast Asian Studies from the Xiamen University, China, has prudently observed as follows,

The BRI will undoubtedly add new dynamics for boosting the development of the Beibu Gulf Zone and link China's vast inland central and western regions to global maritime trade through the South China Sea and the Indian Ocean. Beijing's long-term goals for infrastructure development within the framework of the broader Maritime Silk Road initiative (MSRI) include the ambitious plan to build a Pan-Asia Railway Network comprising three 4,500–5,500 kilometer railway lines linking China and Southeast Asia. The central, eastern and western routes of this planned railway network will run from Kunming through Laos, Thailand, Myanmar and Singapore.

Summers (2019) argues that China wants to increase cross-border economic cooperation and integration along its periphery and border provinces such as Yunnan. China and the ASEAN countries are involved in regional trade agreements. The objectives of China through the BRI are:

- to reduce China's trade cost³(de Soyres et al. 2019).
- to advance China's exports (Wang, Qiu, and Choi 2019).
- to promote China's outward foreign direct investments (Shahriar, Kea, and Qian 2019).
- to promote China's peripheral border diplomacy (Bhattacharya 2016).

However, the BRI has proposed to build up six economic corridors. The Bangladesh–China–India–Myanmar (BCIM) is one of the important economic corridors for regional connectivity and cross-border cooperation. Massive trans-boundary transformations are taking place due to China’s power corridors and development projects. Nevertheless, The nature of the Sino-Indian rivalry have already been analyzed in the literature (Mitra and Thaliyakkattil 2018; Pardesi 2018). We would like to argue that Sino-Indian rivalry is an impediment to the cross-border economic cooperation. As Islam (2018, 83) observed, “The rivalry between India and China on border issues and security concerns in Northeast India and parts of Myanmar often take centre stage limiting connectivity and other cross-border cooperation in the region.”

China and India are in a competitive race to get engaged in the economic and geo-strategic landscapes of Myanmar. The existing works suggest that the major global powers are involved in the rivalry geopolitical game within Myanmar (Engh 2016; E. Han 2017, 2018; Mizuno 2016; Steinberg 1990). For that reason, some Indian analysts such as, Rana (2020), Blah (2018) and Jacob (2017), are apprehensive of the expanding role undertaken by China via BRI. In essence, India’s concerns and confusions lie on two basic fronts; firstly, the China–Pakistan Economic Corridor (CPEC) which passes through Pakistan Occupied Kashmir (POK). India is apprehensive of the BRI “because of its ambiguity, lack of transparency, lack of consultation with the relevant stakeholders and China’s growing military presence in the Indian Ocean Region” (Chakma 2019, 184). The Sino-Indian issues relating to the CPEC have been examined elsewhere (Wolf 2020). The second issue is the growing expansion of China in Myanmar through the building of the China–Myanmar economic corridor and the BCIM. China wants to lead and guide the next wave of Asian regionalism (Godbole 2015). Also, China has been “building infrastructure, especially roads, along the international boundary, and this, combined with its claim to the state of Arunachal Pradesh, poses a challenge to India’s sovereignty” (Ziipao 2018, 483).

Beijing has announced 35 corridors in the new list of projects under BRI. China has planned to build up a new such route; namely, China–Myanmar Economic Corridor. The 1700 –Km China–Myanmar Economic Corridor is expected to give another route to access the Indian Ocean. But the Indian experts are critical of the debt components and sovereignty issues relating to the BRI projects. Professor Rajesh Rajagopalan, School of International Studies, Jawahar Lal Nehru University, views that smaller countries in the South and Southeast Asian region are hungry for infrastructural projects. He has, therefore, urged India, Japan and the United States to provide a worthwhile alternative to China’s BRI. Otherwise, it will be difficult to counter China’s push into these regions, especially in South and South East Asia. Moreover, the BCIM has been sidelined for the last few years (Siddiqui, April 29, 2019).

It is important to note that China has a historic claim to India’s northeastern border state of Arunachal. At the same time, Myanmar’s border regions are rich in natural resources such as oil and gas. For instance, Rakhine is a borderland province having large oil and natural gas reserves, reaching 11 trillion and 23 cubic feet respectively. An official from China’s North Petro-Chem Corporation (Myanmar) Ltd. Called Myanmar a “sleeping petroleum giant” (Ryon 2014, 832). The Chinese multinational corporations are closely working in the energy sector of Myanmar. Oil companies consider Myanmar “under-explored,” and believe there are vast amounts of oil and gas yet to be discovered.

Myanmar has violent borderlands in its peripheral states. Myanmar's borderlands are geopolitical spaces characterized by multiplicity, contestability, civil war, and dynamism (McConnachie 2018). Instability along the Myanmar's borderlands may, as a consequence, impede the implementation of China's mega infrastructure projects that include road, rail and energy pipelines as part of its massive BRI. During 1988–2016, China's direct investment of US\$18.53 billion, poured into nearly 130 projects in Myanmar, dwarfed all other countries; the EU was second with under US\$6 billion over the same period (Malik 2018). China–Myanmar trade grew quickly in recent years under the BRI framework. According to the statistics of China's Ministry of Commerce, for 2011, 2012, and 2013, its annual growth rates were 73.2%, 1.8%, and 35.6%, respectively. China–Myanmar trade in 2015 reached US\$15.27 billion. It dropped 38.8% compared to 2014 but increased by 50% compared to US\$10.15 billion in 2013 (Chenyang and Shaojun 2019). Chinese firms are active in railways, roads, dams, highways, ports and infrastructural developments in Myanmar.

However, the northeastern border region occupied a special place in India's neighborhood policy. One of the main reasons was the unique geopolitics and the ethno-social fabrics of the borderlands in the region. Many of the tribes in India's northeastern region are ethnically linked to tribes on the Myanmar side of the border (Lall 2006). A very important element of the LEP was the attempt to link India's landlocked northeastern states with the economies of the ASEAN region (Majumdar 2020). India's security-centric approach prevented cooperative relationships from emerging with its bordering neighbors. The Kaladan Multi-Modal Transit Transport Project is a key element of India's AEP for which it signed a framework agreement with Myanmar in 2008. This project, which will connect Sittwe Port in Myanmar to the India–Myanmar border, is expected to be an alternative route through Myanmar for the transportation of goods to the northeast region of India (Sinate, Fanai, and Bangera 2019). There are some risk factors that might adversely affect the Indian Kaladan project, because it “runs through the unstable states of Chin and Arakan, where various armed movements from Myanmar, Bangladesh, and India seek refuge” (Holslag 2009, 654). The India–Myanmar–Thailand Trilateral Highway is also a flagship land connectivity project between India and ASEAN, announced in 2002. The Trilateral Highway connects India, Myanmar and Thailand through Moreh, Bagan and Mae Sot, respectively. India has undertaken the construction of the several sections of the Trilateral Highway in Myanmar. Lwin (30 July, 2019), a senior journalist from Myanmar, notes that,

Myanmar serves as a crucial buffer state between China and India and also plays a crucial part in China's ambitious Belt and Road Initiative. Because China is developing a deep-sea port in Kyaukphyu Township, in Rakhine State, maritime cooperation between India and Myanmar has become key for the latter. The port would give China direct access to the Indian Ocean and allow its oil imports to bypass the Strait of Malacca.

China has invested US\$1.5 billion in oil pipeline which is 870 kilometers and a parallel natural gas pipeline that goes to Kunming in Yunnan province. An Indian analyst-Pattanaik (2019) – observes that in the recent past, China's expansion to the Indian Ocean region has added a new dimension to India's security concern. She specifically raised her fingers to the worrisome presence of the Chinese forces in Naval activities in the Coco Island in Myanmar. In contrast to her views, the Chinese analysts from the *Institute*

of *Myanmar Studies* at the Kunming University – Chenyang and Shaojun (2019) – strongly assert that since its independence, Myanmar has not allowed any country to have a military base in its territory. Moreover, the northeastern states of India are plagued by ethnic conflicts, insurgent movements and weak infrastructures. There are several armed groups involved in illicit narcotic and arms trade. Various revolutionary and insurgent groups are active at the border regions of India and Myanmar (Haokip 2015; McDuie-Ra 2012, 2014).

By the end of 2006, a 400-kilometre border with Myanmar was already fenced and was being extended in height. A stretch of 14 kilometers near the international boundary at the border town of Moreh was identified for fencing. For ensuring its physical security, the Assam Rifles is deployed as the border-guarding force along the India–Myanmar border under the principle of “one border one force.” In addition to the deployment of Assam Rifles, the Indian government also decided to build a 10 kilometers fence along the international border at Moreh (between pillars nos. 79 and 81) in Manipur which is most porous to insurgents and traffickers (Das 2019). A researcher observes, “Construction of barbwire fencing along the border near Moreh in Manipur aimed to address the insurgency problem, irregular immigration and human trafficking, drug trafficking including transport of goods, arms and counterfeit Indian currency smuggling” (Majumdar 2020, 66). It is, thus, clear that Moreh-Tamu border trade remains vulnerable to the problems of cross-border insurgents movements and under-ground activities.

5. Conclusion

This paper argues that India and Myanmar have increasingly been engaged in cross-border trade and economic cooperation. The shift in Indian foreign policy and economic orientation from “Look East” to “Act East” policy – has greatly contributed to the emergence of cross-border regions along the borderlands of India and Myanmar. The analysis of bilateral trade at the borderlands of Moreh-Tamu reveals the fact that the state government of Manipur is keen to facilitate border trade along with the broad aim and objective of the Indian central government in New Delhi. However, the major obstacles to the cross-border economic cooperation are three-fold. First is the issue of the Sino-Indian rivalry in Myanmar. Both India and China are vying to influence the borderlands of Myanmar for geo-political, economic and strategic gains. Secondly, China proposed to build the BCIM economic corridor under the framework of the BRI with the key aims of trade facilitation, economic cooperation and infrastructural connectivity. But, India remains apathetic or reluctant to get engaged with the BRI due to the unresolved border issues. Also, India’s northeastern borderlands are socio-economically backward and have weak infrastructures. The insurgents movements along the borderlands could pose the challenges and threats to border trade. In recent times, given the importance of the border trade along the ASEAN regional connectivity plan, the Moreh-Tamu border regions are likely to receive more focused attentions from the decision makers and policy planners.

This research enriches the literature on border trade and provides a basis for further studies. It contributes to a deeper understanding of Moreh-Tamu border trade. It also provides important insights and perspectives through its engagement with the larger literature on border studies to demonstrate that border trade can facilitate inter-state economic cooperation resulting in regional peace and tranquility. The policy-makers and experts

might get some innovative insights from this study. The findings have a few implications. First, the modernization of Moreh land customs could gear up the current trade flows between India and Myanmar. Second, the policy makers should focus on the trade regimes development and inter-state cooperation rather than the contentious issue of the Sino-Indian rivalry. Moreh-Tamu is a potential India-Myanmar cross-border region for a comprehensive and effective transboundary engagement with a variety of stakeholders including India, Myanmar, China, Bangladesh, and the ASEAN states.

Further research is needed in several directions. We could not conduct a field survey in the volatile northeastern borderlands of Moreh-Tamu region. As a result, we were unable to interview the border traders, local residents, regional policy elites, and opinion leaders. These actors play a crucial role in the borderlands of a state. Baud and Schendel (1997, 211–242) explored the dynamics of political consequences of the “triangle of power relations” between state forces, regional elite and local people at the borderlands. In addition, the gravity model is widely applied in the analyses of international trade flows, border effects, and inter-state trade potentials (Anderson and van Wincoop 2003). The application of the gravity model could be preferred in light of the availability of data on border trade. Besides, it has been demonstrated that a good number of commodities are traded along the Moreh-Tamu border. The trade costs, price variabilities, and import-export determinants of the commodities could be studied in the future.

Notes

1. I am thankful to an anonymous reviewer who raised some structural and procedural issues of trade at the border of Moreh, India.
2. ASEAN is the Association for South East Asian Nations consisting of 10 member states: Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei, Laos, Myanmar, Cambodia and Vietnam.
3. Trade cost=tariffs+ transports +time cost.

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